

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0337
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNI
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		8. Lease Name and Well No. CHAPITA WELLS UNIT 1374-29
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	9. API Well No. 43 047.398 84
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE 1305FSL 1060FEL 40.00333 N Lat, 109.34510 W Lon At proposed prod. zone SESE 1305FSL 1060FEL 40.00333 N Lat, 109.34510 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
14. Distance in miles and direction from nearest town or post office* 52.9 MILES SOUTH OF VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 29 T9S R23E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1060'	16. No. of Acres in Lease 2344.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 750'	19. Proposed Depth 8930 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5201 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file NM2308
		23. Estimated duration 45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission) 	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 12/18/2007
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 01-03-08
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #57640 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal

Federal Approval of this  
Action is Necessary

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED

RECEIVED

DEC 19 2007

DEPT. OF OIL, GAS & MINING

641320X  
44292374  
40.003395

-109.344415

T9S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

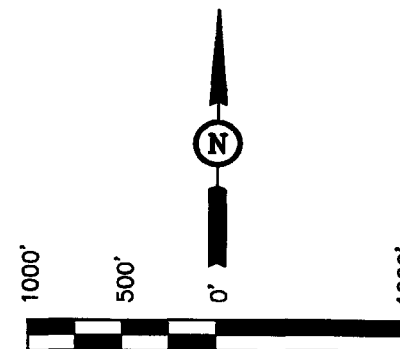
Well location, CWU #1374-29, located as shown in the SE 1/4 SE 1/4 of Section 29, T9S, R23E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

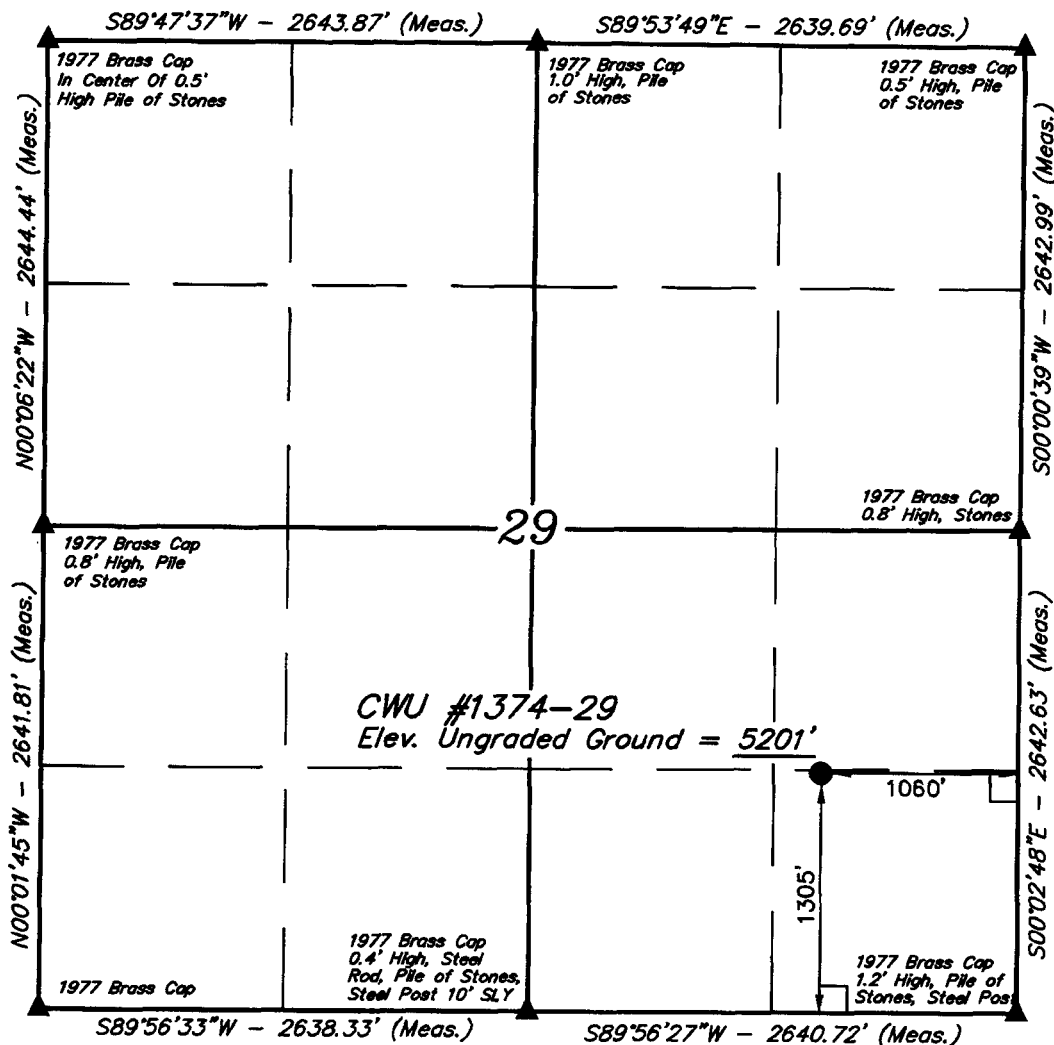


SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
RECEIVED UTAH 16-07-09  
STATE OF UTAH



### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 40°00'11.99" (40.003331)  
LONGITUDE = 109°20'42.35" (109.345097)  
(NAD 27)  
LATITUDE = 40°00'12.11" (40.003364)  
LONGITUDE = 109°20'39.91" (109.344419)

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-07-07	DATE DRAWN: 11-16-07
PARTY G.S. T.M. S.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1374-29 SE/SE, SEC. 29, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,492		Shale	
Wasatch	4,451		Sandstone	
Chapita Wells	5,003		Sandstone	
Buck Canyon	5,686		Sandstone	
North Horn	6,274		Sandstone	
KMV Price River	6,551	Primary	Sandstone	Gas
KMV Price River Middle	7,441	Primary	Sandstone	Gas
KMV Price River Lower	8,224	Primary	Sandstone	Gas
Sego	8,724		Sandstone	
TD	8,930			

Estimated TD: 8,930' or 200'± below TD

Anticipated BHP: 4,875 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 1374-29** **SE/SE, SEC. 29, T9S, R23E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

#### **5. Float Equipment:**

##### **Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

##### **Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### **6. MUD PROGRAM**

##### **Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

#### **7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1374-29 SE/SE, SEC. 29, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

#### **8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

#### **9. CEMENT PROGRAM:**

##### **Surface Hole Procedure (Surface - 2300'±):**

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

##### **Production Hole Procedure (2300'± - TD)**

**Lead:** 119 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 875 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1374-29**  
**SE/SE, SEC. 29, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

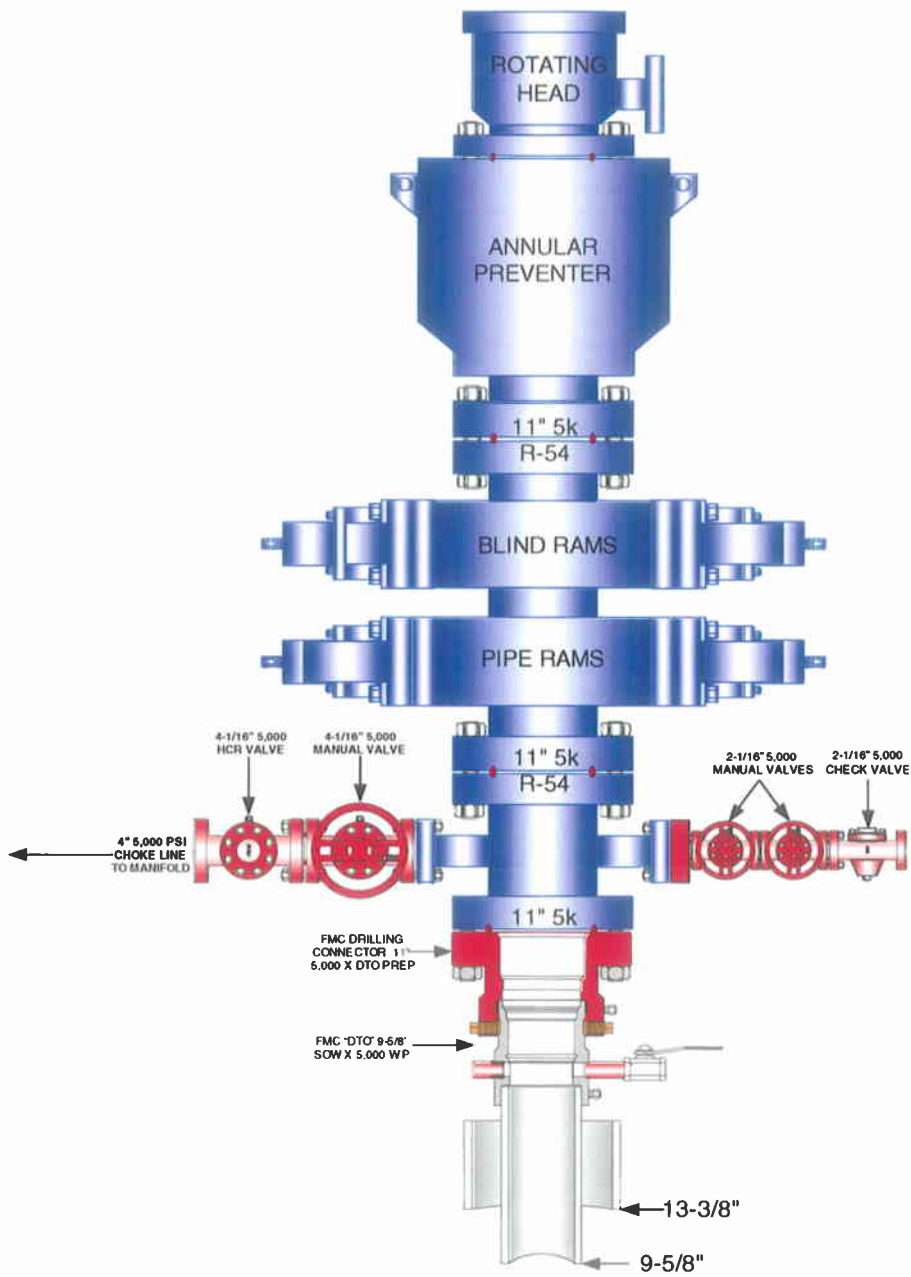
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

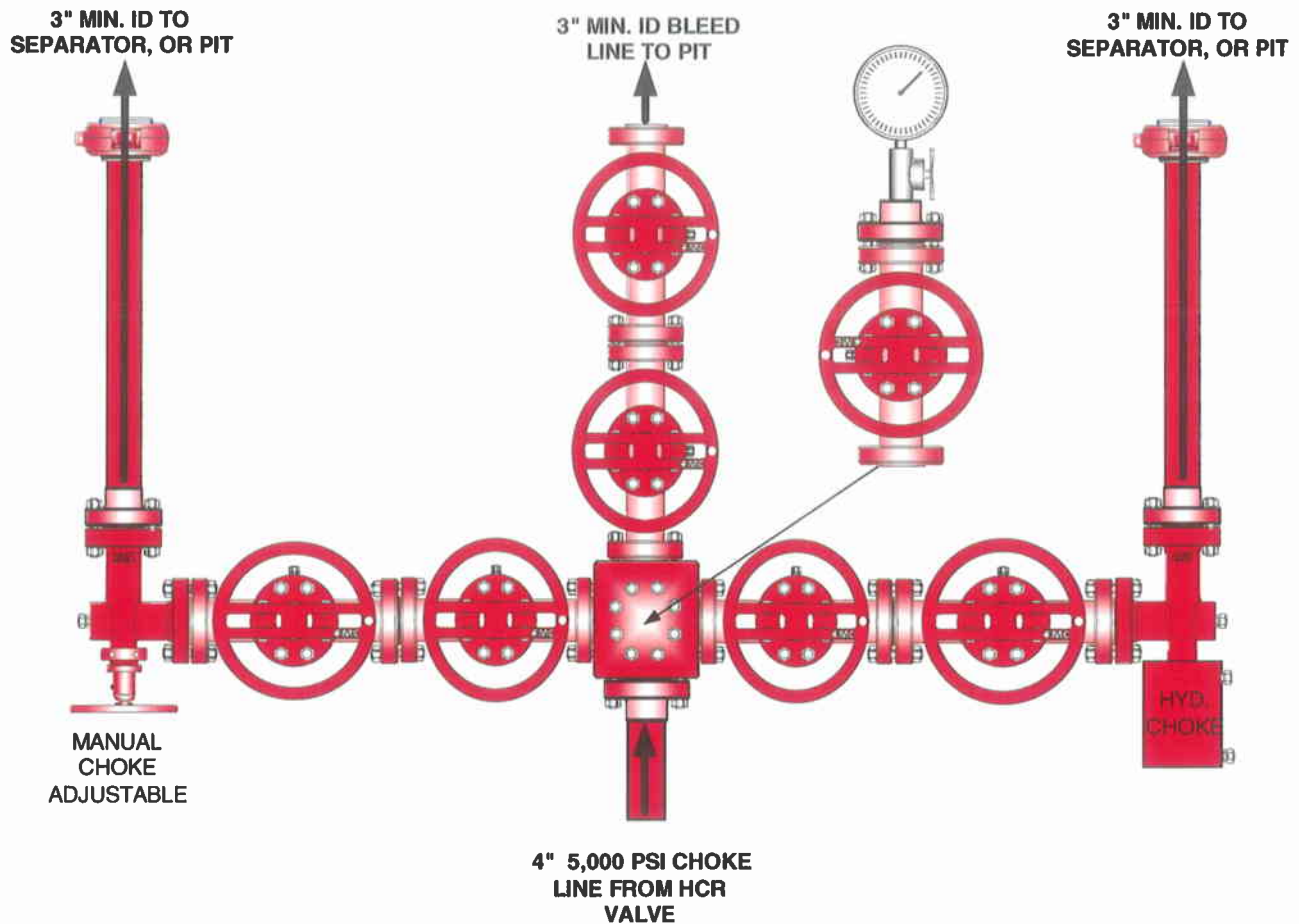
**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

PAGE 1 OF 2



**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION  
W/ 5,000 PSI WP VALVES**

PAGE 2 OF 2



**Testing Procedure:**

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.





***Chapita Wells Unit 1374-29  
SESE, Section 29, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 180 feet long with a 40-foot right-of-way, disturbing approximately .17 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.42 acres. The pipeline is approximately 777 feet long with a 40-foot right-of-way disturbing approximately .71 acre.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 52.9 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 180' in length, with culverts installed as construction dictates. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

**An off-lease right-of-way is not required. The entire length of the proposed access road is located within Federal Lease # U-0337.**

**3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 777' x 40'. The proposed pipeline leaves the western edge of the well pad (Lease U-0337) proceeding in an easterly direction for an approximate distance of 777' tying into an existing pipeline in the NESE of Section 29, T9S, R23E (Lease U-0337). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease # U-0337.
7. The proposed pipeline route begins in the SESE of Section 29, T9S, R23E, proceeding easterly for an approximate distance of 777' to the NESE of Section 29, T9S, R23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon or Covert Green.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it

in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil west of pit corner B. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

The corners of the well pad will be rounded off as needed to minimize excavation.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Interim Reclamation (Producing Location)**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours—see Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### ***B. Dry Hole/Abandoned Location***

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Wyoming Big Sage	3.0
Shadscale	3.0
Needle and Threadgrass	3.0
HyCrest Wheatgrass	1.0
Scarlet Globe Mallow	1.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### ***11. SURFACE OWNERSHIP:***

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management**

#### ***12. OTHER INFORMATION:***

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to



Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A paleontology survey was conducted and will be submitted by Intermountain Paleo.

**Additional Surface Stipulations:**

None.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Mary A. Maestas  
EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1374-29 Well, located in the SESE, of Section 29, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

December 18, 2007  
Date

  
Mary A. Maestas, Regulatory Assistant

Date of onsite: November 29, 2007

# EOG RESOURCES, INC.

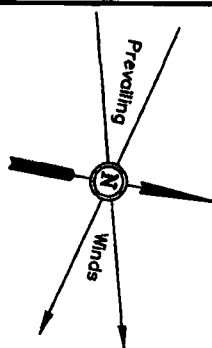
## LOCATION LAYOUT FOR

CWU #1374-29

SECTION 29, T9S, R23E, S.L.B.&M.

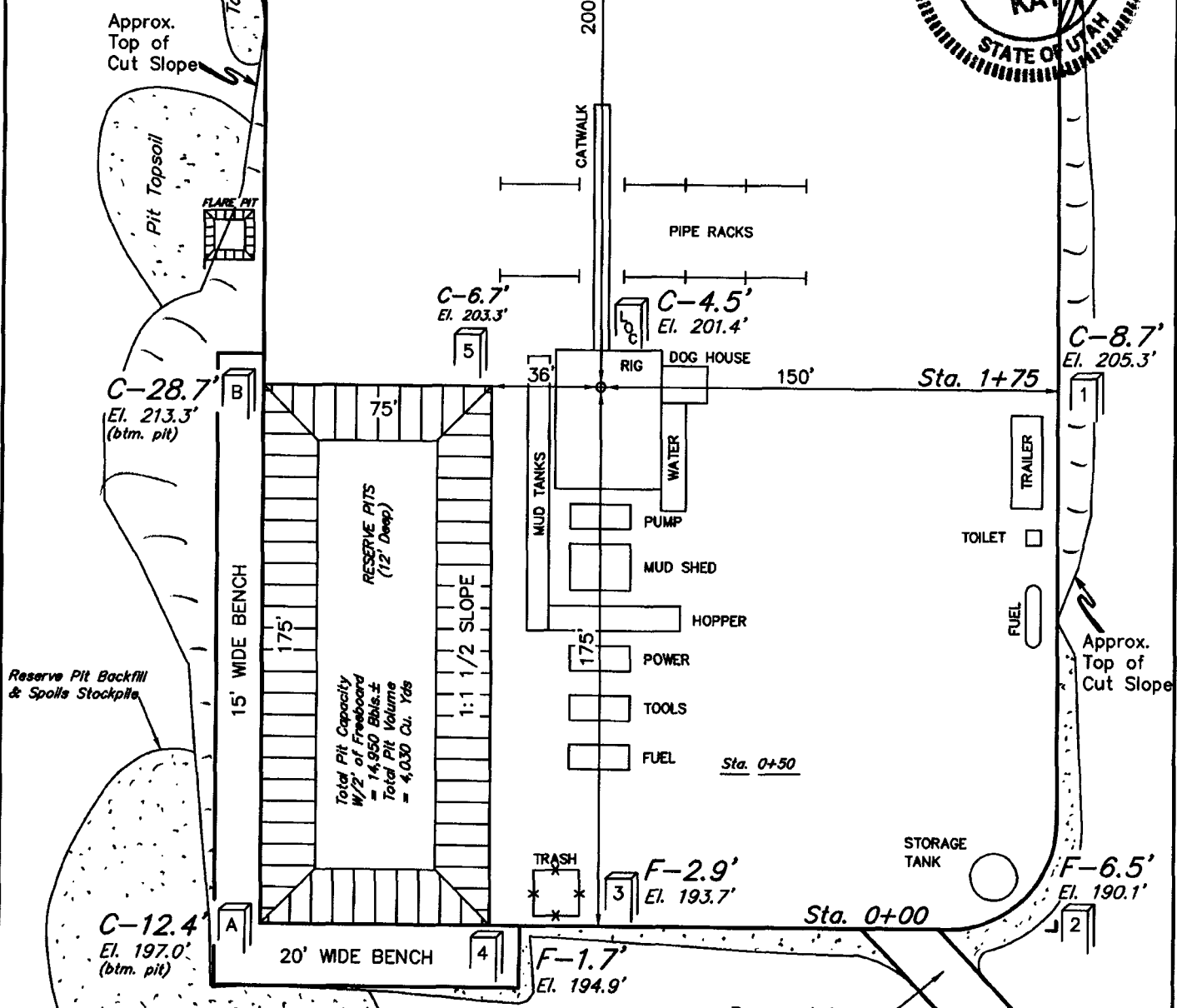
1305 FSL 1060 FEL

FIGURE #1



SCALE: 1" = 50'  
DATE: 11-16-07  
Drawn By: S.G.

**NOTE:**  
Flare Pit is to be located a min. of 100' from the Well Head.



Elev. Ungraded Ground at Location Stake = 5201.4'

Elev. Graded Ground at Location Stake = 5196.6'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 788-1077

# EOG RESOURCES, INC.

## TYPICAL CROSS SECTIONS FOR

CWU #1374-29

SECTION 29, T9S, R23E, S.L.B.&M.

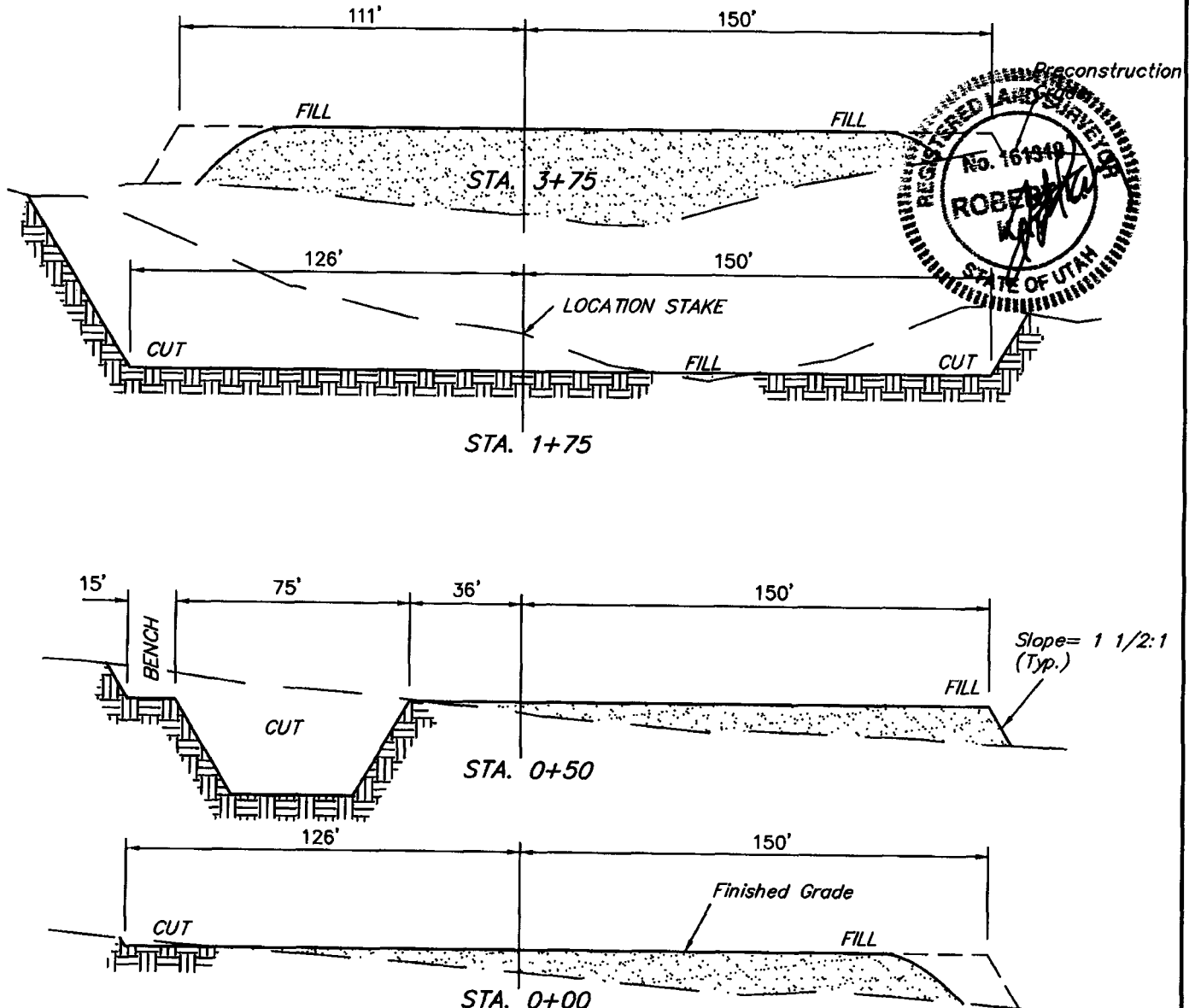
1305 FSL 1060 FEL

FIGURE #2

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 11-16-07

Drawn By: S.G.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### \* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

(6") Topsoil Stripping = 2,210 Cu. Yds.  
Remaining Location = 12,410 Cu. Yds.  
  
TOTAL CUT = 14,620 CU.YDS.  
FILL = 10,400 CU.YDS.

EXCESS MATERIAL = 4,220 Cu. Yds.  
Topsoil & Pit Backfill = 4,220 Cu. Yds.  
(1/2 Pit Vol.)  
EXCESS UNBALANCE = 0 Cu. Yds.  
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

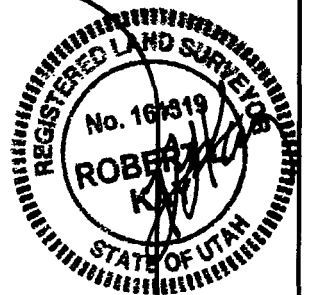
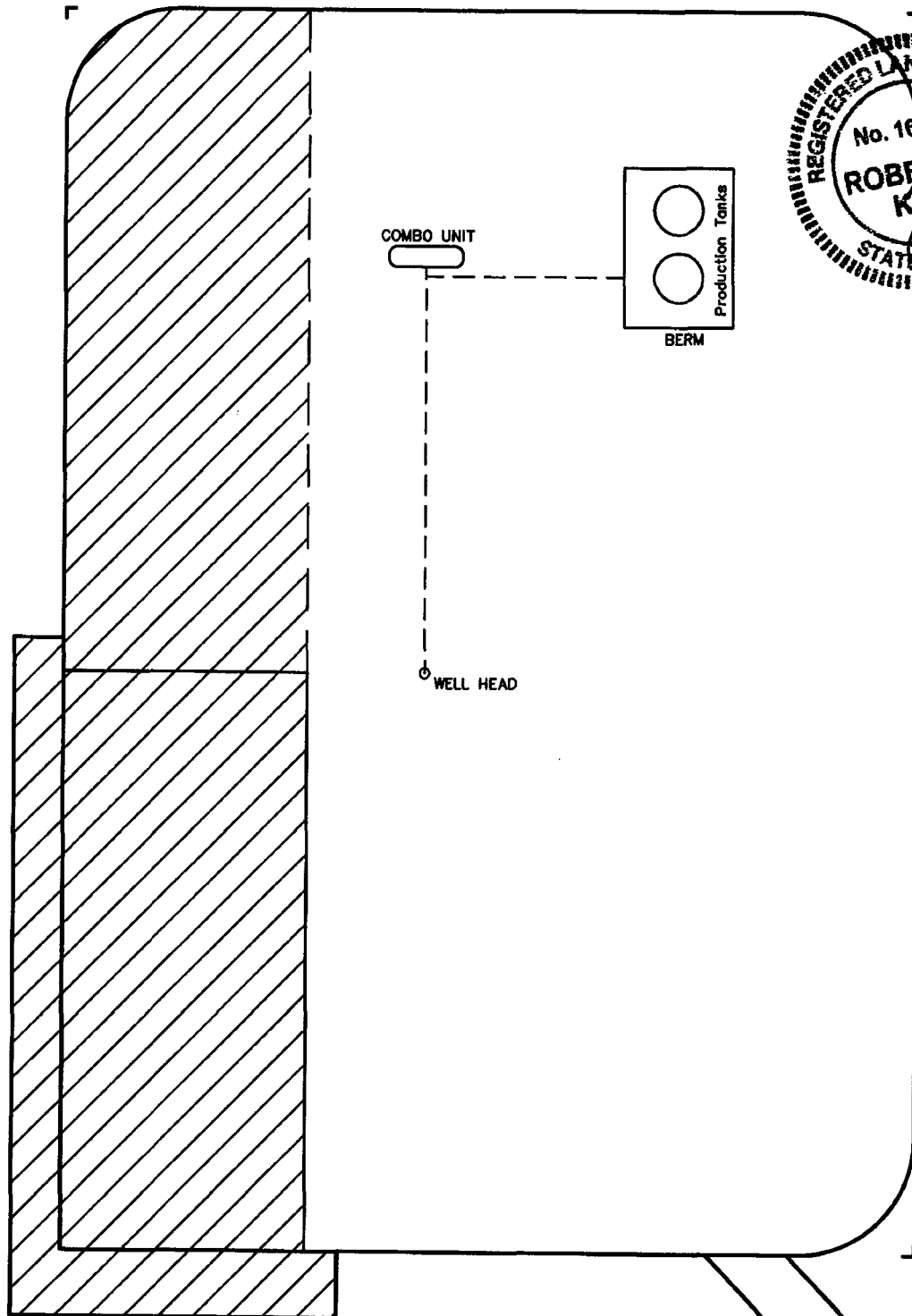
EOG RESOURCES, INC.  
PRODUCTION FACILITY LAYOUT FOR

CWJ #1374-29  
SECTION 29, T9S, R23E, S.L.B.&M.  
1305 FSL 1060 FEL

FIGURE #3



SCALE: 1" = 50'  
DATE: 11-16-07  
Drawn By: S.G.



 RE-HABED AREA

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# EOG RESOURCES, INC.

CWU #1374-29

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 29, T9S, R23E, S.L.B.&M.

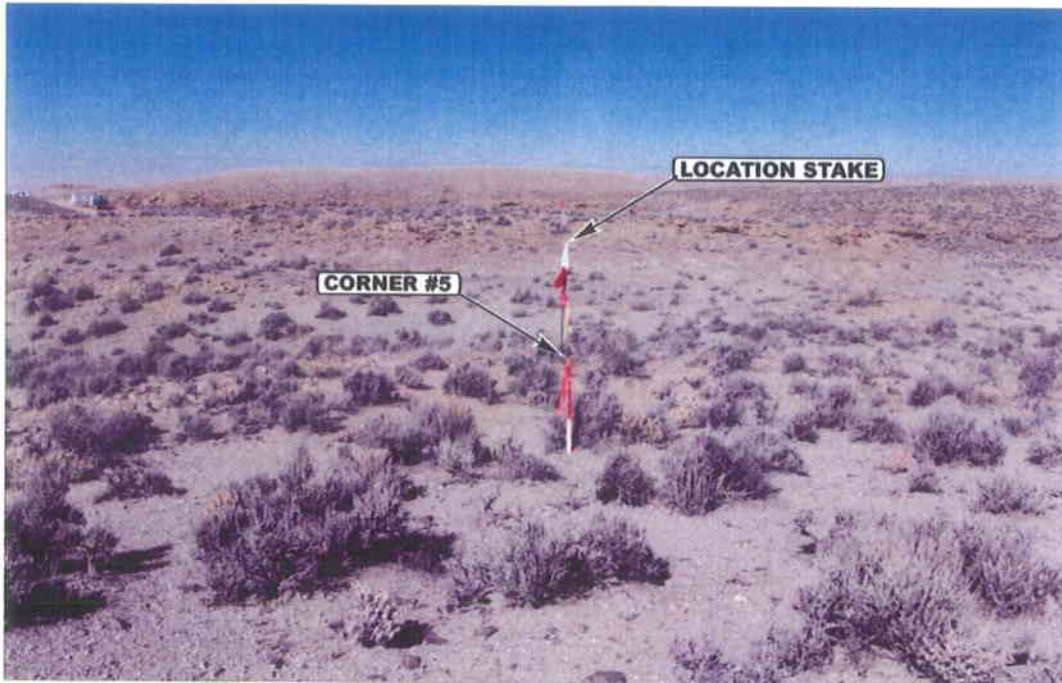


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



ELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

11 13 07  
MONTH DAY YEAR

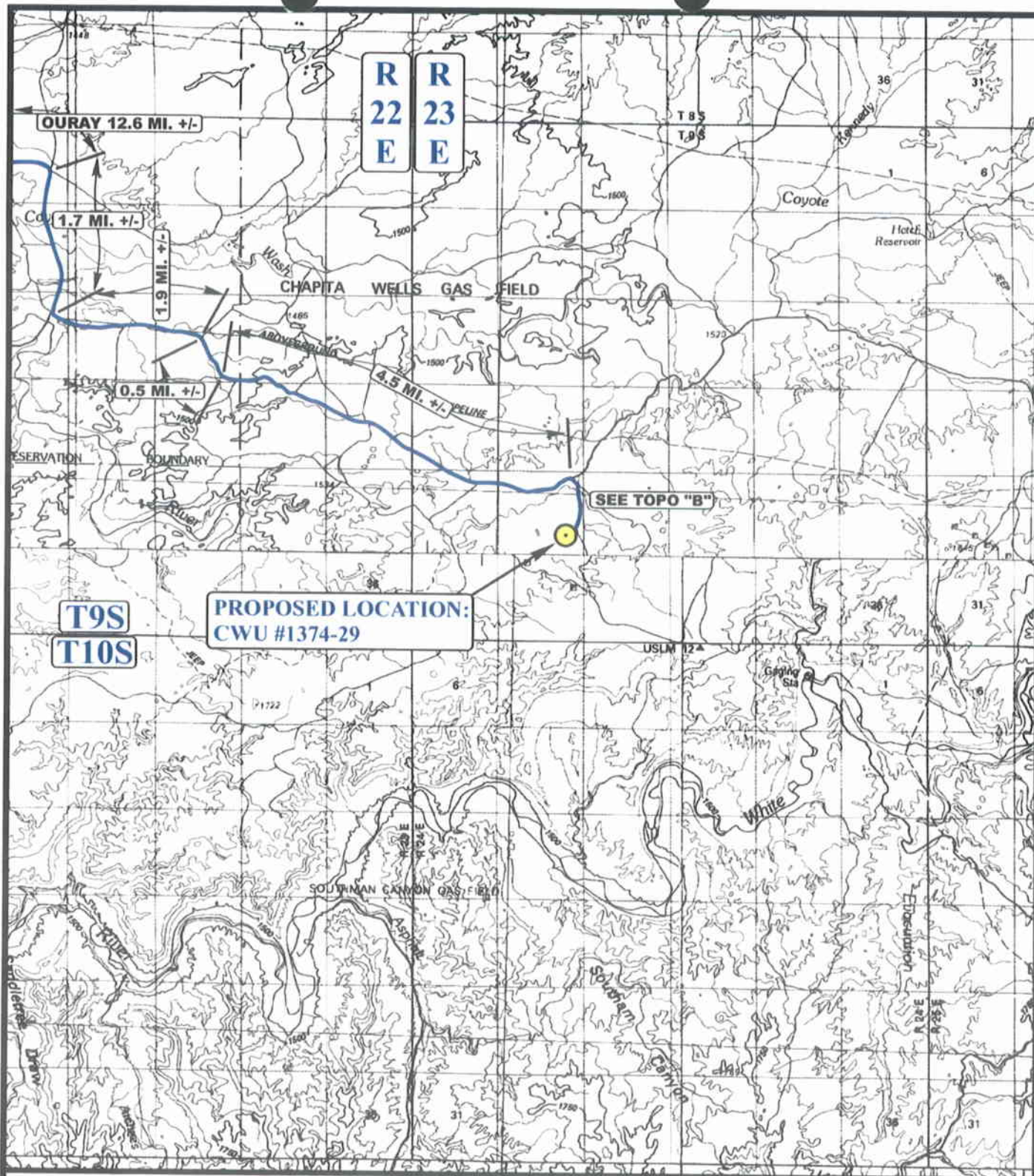
PHOTO

TAKEN BY: G.S.

DRAWN BY: C.C.

REVISED: 00-00-00





# LEGEND:

PROPOSED LOCATION

EOG RESOURCES, INC.

CWU #1374-29

SECTION 29, T9S, R23E, S.L.B.&M.

1305' FSL 1060' FEL



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 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC**  
**MAP**

**11 13 07**  
 MONTH DAY YEAR

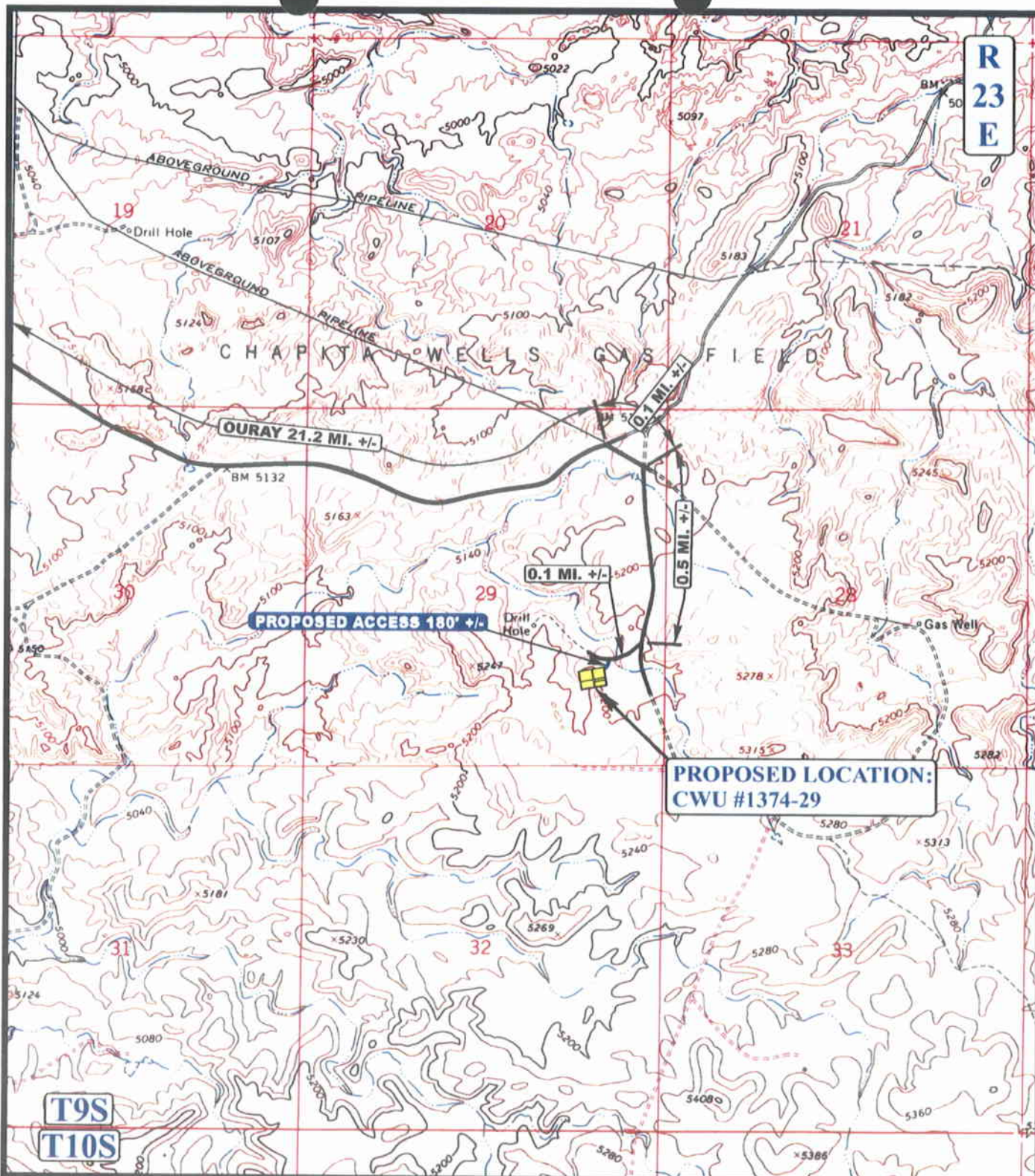
SCALE: 1:100,000

DRAWN BY: C.C.

REVISED: 00-00-00

**A**  
**TOPO**





# **LEGEND:**

— EXISTING ROAD  
 - - - - - PROPOSED ACCESS ROAD

N

**EOG RESOURCES, INC.**

CWU #1374-29  
 SECTION 29, T9S, R23E, S.L.B.&M.  
 1305' FSL 1060' FEL



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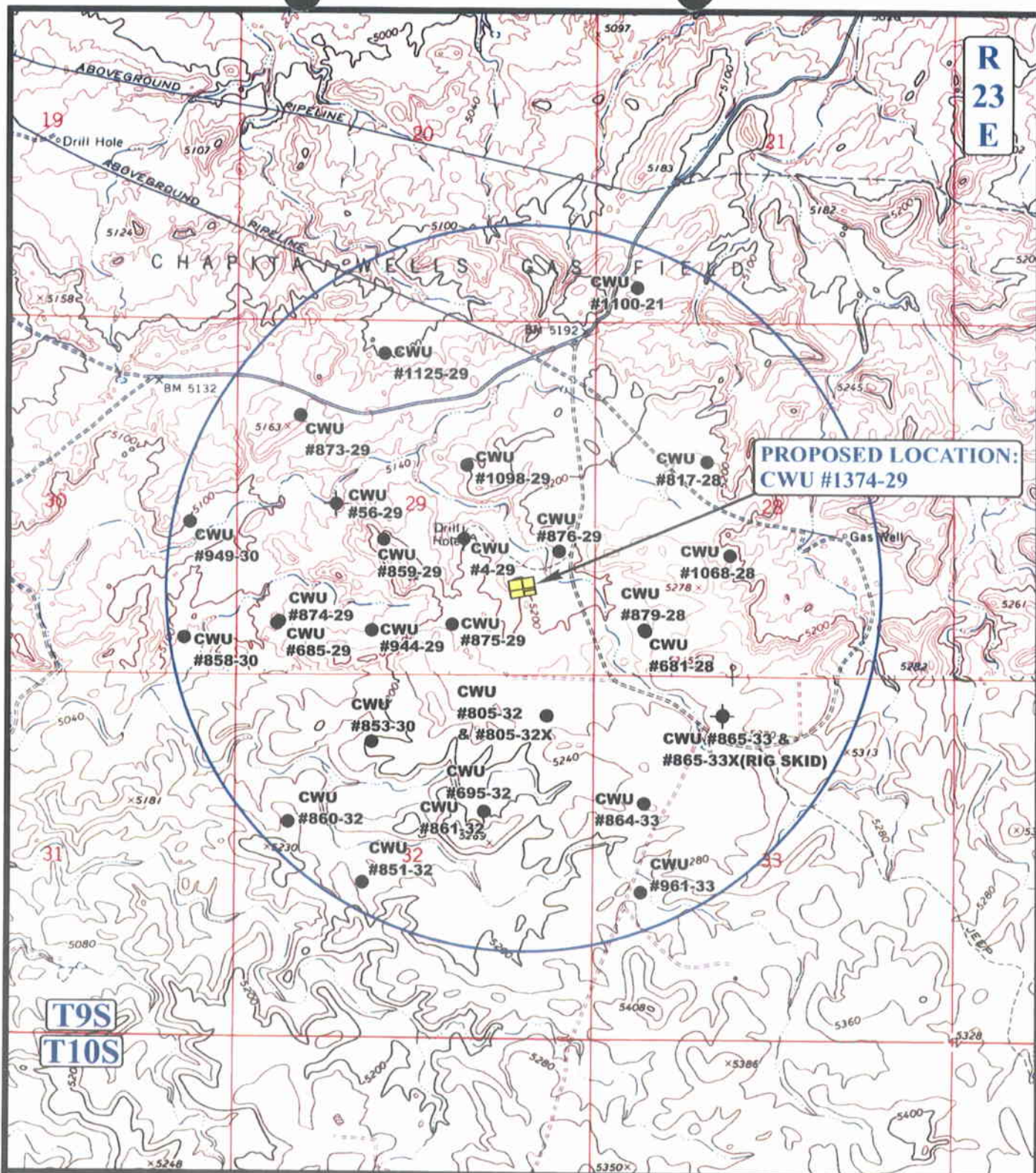
**TOPOGRAPHIC  
 MAP**

**11 13 07**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.C. REVISED: 00-00-00

**B  
 TOPO**





# **LEGEND:**

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

**EOG RESOURCES, INC.**

**CWU #1374-29**

**SECTION 29, T9S, R23E, S.L.B.&M.**

**1305' FSL 1060' FEL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

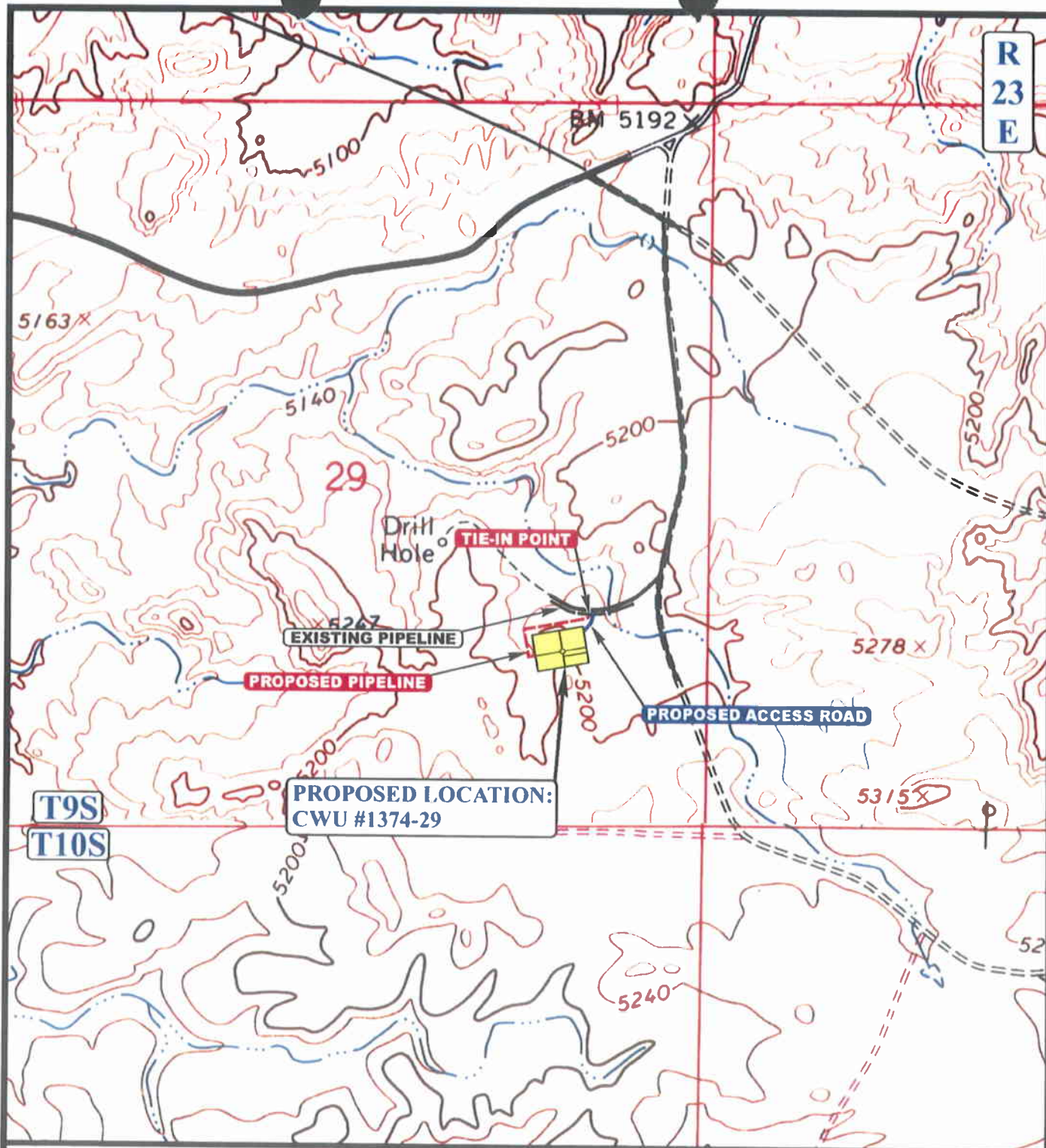
**TOPOGRAPHIC  
MAP**

**11 13 07**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.C. REVISED: 00-00-00







APPROXIMATE TOTAL PIPELINE DISTANCE = 777' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

**EOG RESOURCES, INC.**

CWU #1374-29  
SECTION 29, T9S, R23E, S.L.B.&M.  
1305' FSL 1060' FEL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC  
MAP**

**11 13 07**  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.C. REVISED: 00-00-00

**D  
TOPO**

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/19/2007

API NO. ASSIGNED: 43-047-39884

WELL NAME: CWU 1374-29

OPERATOR: EOG RESOURCES, INC. ( N9550 )

CONTACT: MARY MAESTAS

PHONE NUMBER: 303-824-5526

PROPOSED LOCATION:

SESE 29 090S 230E

SURFACE: 1305 FSL 1060 FEL

BOTTOM: 1305 FSL 1060 FEL

COUNTY: UINTAH

LATITUDE: 40.00340 LONGITUDE: -109.3444

UTM SURF EASTINGS: 641320 NORTHINGS: 4429237

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

**Tech Review**

**Initials**

**Date**

Engineering

Geology

Surface

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU0337

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM2308 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-225 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3.

Unit: CHAPITA WELLS

\_\_\_ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

\_\_\_ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 179-8

Eff Date: 8-10-1999

Siting: Suspended General Siting

\_\_\_ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approval





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

January 3, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2008 Plan of Development Chapita Wells Unit  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Chapita Wells Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

Proposed PZ MesaVerde)

43-047-39884	CWU 1374-29 Sec 29 T09S R23E 1305 FSL 1060 FEL	
43-047-39885	CWU 1373-29 Sec 29 T09S R23E 2562 FSL 2630 FEL	
43-047-39886	CWU 1370-30 Sec 30 T09S R23E 1343 FSL 2338 FEL	
43-047-39883	CWU 1364-18 Sec 18 T09S R23E 1330 FSL 1310 FWL	
43-047-39882	CWU 1362-25 Sec 25 T09S R22E 1367 FNL 1394 FWL	
43-047-50020	CWU 1376-32 Sec 32 T09S R23E 0055 FNL 1273 FEL	
43-047-50021	CWU 1390-32 Sec 32 T09S R23E 0280 FNL 0057 FEL	
43-047-50022	CWU 1377-32 Sec 32 T09S R23E 1566 FNL 0025 FEL	

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:1-3-08



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

January 3, 2008

EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078

Re: Chapita Well Unit 1374-29 Well, 1305' FSL, 1060' FEL, SE SE, Sec. 29, T. 9 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39884.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office



Operator: EOG Resources, Inc.

Well Name & Number Chapita Well Unit 1374-29

API Number: 43-047-39884

Lease: UTU0337

Location: SE SE                      Sec. 29                      T. 9 South                      R. 23 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office      (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

DEC 18 2007

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

## APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0337
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC		7. If Unit or CA Agreement, Name and No. UTU63013A, V
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		8. Lease Name and Well No. CWU 1374-29
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	9. API Well No. 43 047 39884
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE 1305FSL 1060FEL 40.00333 N Lat, 109.34510 W Lon At proposed prod. zone SESE 1305FSL 1060FEL 40.00333 N Lat, 109.34510 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 52.9 MILES SOUTH OF VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 29 T9S R23E Mer SLB SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1060'	16. No. of Acres in Lease	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 750'		13. State UT
19. Proposed Depth 8930 MD		17. Spacing Unit dedicated to this well
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5201 GL		20. BLM/BIA Bond No. on file NM2308
22. Approximate date work will start		23. Estimated duration 45 DAYS

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |  |  |
|--|--|
| 1. Well plat certified by a registered surveyor.<br>2. A Drilling Plan.<br>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).<br>5. Operator certification<br>6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 12/18/2007
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) TERRY KENICKA	Date 7-21-2008
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #57640 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 12/18/2007 (08GXJ1174AE)RECEIVED  
NOTICE OF APPROVAL

AUG 04 2008

DIV. OF OIL, GAS &amp; MINING

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

086-XJ0338AE

NOS 11/27/2007

UDOGH

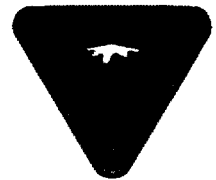


UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources, Inc.  
Well No: Chapita Wells Unit 1374-29  
API No: 43-047-39884

Location: SESE, Sec. 29, T9S, R23E  
Lease No: UTU-0337  
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

**SITE SPECIFIC COAs:**

- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that will lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.
- No construction, drilling, or fracing operations within 0.5 miles of Golden Eagle nest 2/1-7/15.
- Three sites (42Un912/920, 42Un921, and 42Un5635) are recommended eligible to the NRHP. These sites must be avoided by at least 100 feet. See attached map.

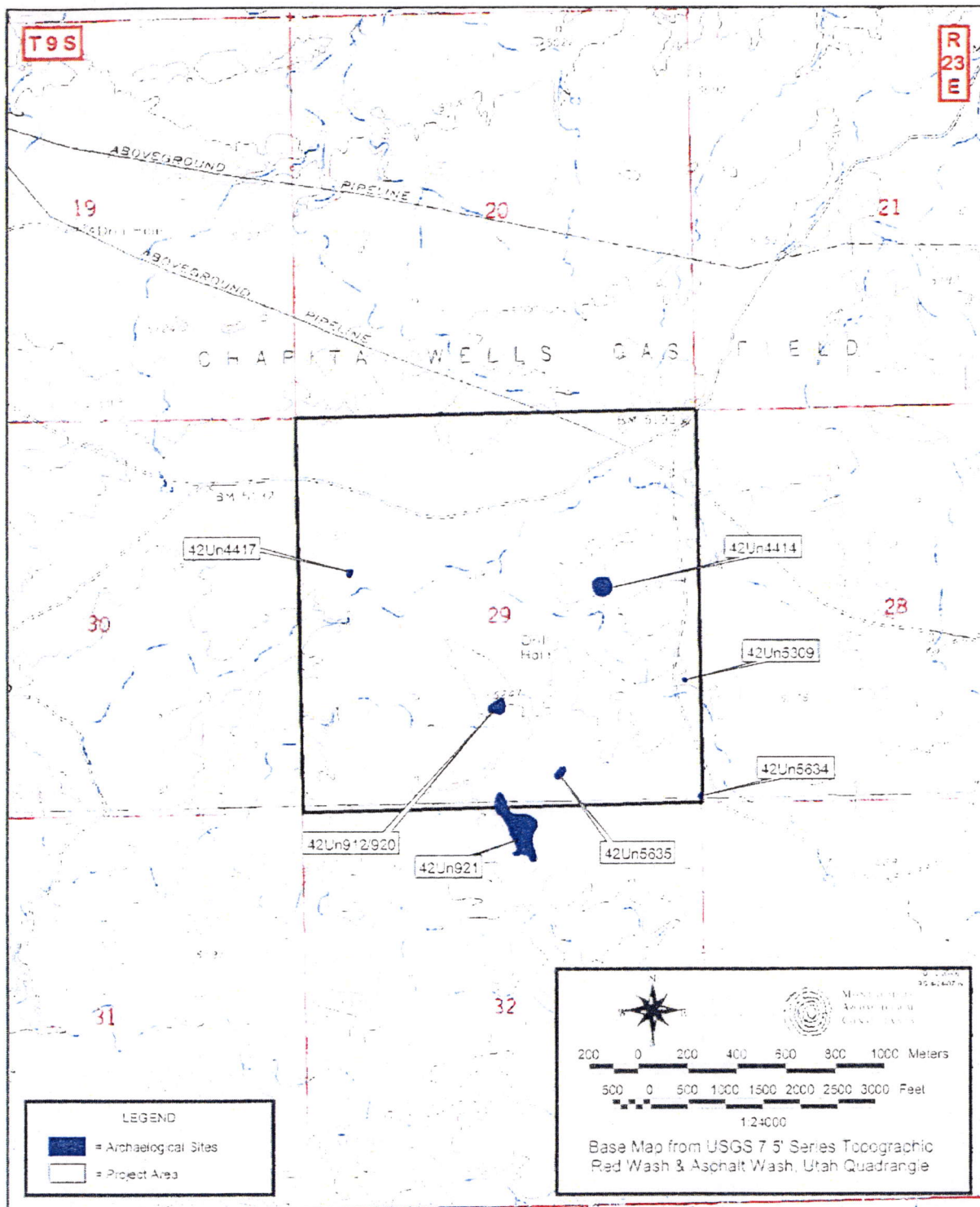


Figure 1. Project Area Map Showing Cultural Resources.

***DOWNHOLE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

**SITE SPECIFIC DOWNHOLE COAs:**

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.  
COA specification is consistent with operators performance standard stated in APD.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.  
All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- Covering air/gas drilling operations, requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- A Gamma Ray well Log shall be run from the well Total Depth to the surface.  
A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and

cemented in place.

- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.



- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

## DIVISION OF OIL, GAS AND MINING

### ***SPUDDING INFORMATION***

Name of Company: EOG RESOURCES INC

Well Name: CWU 1374-29

Api No: 43-047-39884 Lease Type: FEDERAL

Section 29 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

### **SPUDDED:**

Date 10/20/08

Time 10:30 AM

How DRY

***Drilling will Commence:*** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 10/20//08 Signed CHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES Operator Account Number: N 9550  
Address: 1060 East Highway 40  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39926	CHAPITA WELLS UNIT 750-12		SWSW	12	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>AB</u>	99999	<u>4905</u>	10/20/2008			<u>10/28/08</u>	
Comments: <u>WASATCH</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39884	CHAPITA WELLS UNIT 1374-29		SESE	29	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>AB</u>	99999	<u>13650</u>	10/20/2008			<u>10/28/08</u>	
Comments: <u>MESAVERDE</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

Title

10/22/2008

Date

**RECEIVED**

**OCT 23 2008**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
UTU0337

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1374-29

2. Name of Operator  
EOG RESOURCES, INC.

Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM

9. API Well No.  
43-047-39884

3a. Address  
1060 E. HWY 40  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435-781-9145

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 29 T9S R23E SESE 1305FSL 1060FEL  
40.00333 N Lat, 109.34510 W Lon

11. County or Parish, and State  
UINTAH COUNTY, UT

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 10/20/2008.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #64075 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature

*Mickenzie Thacker*

Date 10/22/2008

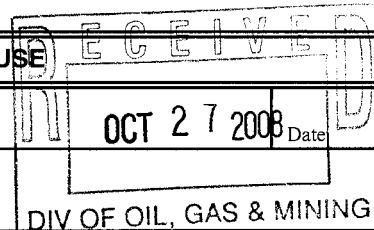
**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office



Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.  
UTU0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS8. Well Name and No.  
CHAPITA WELLS UNIT 1374-299. API Well No.  
43-047-3988410. Field and Pool, or Exploratory  
NATURAL BUTTES11. County or Parish, and State  
UINTAH COUNTY, UT**SUBMIT IN TRIPLICATE - Other Instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

EOG RESOURCES, INC.

Contact: MARY A. MAESTAS

E-Mail: mary\_maestas@eogresources.com

3a. Address

600 17TH STREET SUITE 1000N  
DENVER, CO 80202

3b. Phone No. (include area code)

Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 29 T9S R23E SESE 1305FSL 1060FEL  
40.00333 N Lat, 109.34510 W Lon

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 1/17/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #66507 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 01/21/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED****\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* JAN 26 2009**

DIV. OF OIL, GAS &amp; MINING

# WELL CHRONOLOGY REPORT

Report Generated On: 01-21-2009

<b>Well Name</b>	CWU 1374-29	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39884	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	11-14-2008	<b>Class Date</b>	01-17-2009
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,930/ 8,930	<b>Property #</b>	062322
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,213/ 5,197				
<b>Location</b>	Section 29, T9S, R23E, SESE, 1305 FSL & 1060 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.6856	<b>NRI %</b>	47.67131

<b>AFE No</b>	304992	<b>AFE Total</b>	1,747,000	<b>DHC / CWC</b>	880,700/ 866,300
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #31	<b>Start Date</b>	02-12-2008
<b>02-12-2008</b>	<b>Reported By</b>	CYNTHIA HANSELMAN			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
--------------	------------	------------	-----------------------------

06:00	06:00	24.0	LOCATION DATA
-------	-------	------	---------------

1305' FSL & 1060' FEL (SE/SE)

SECTION 29, T9S, R23E

UINTAH COUNTY, UTAH

LAT 40.003331, LONG 109.345097 (NAD 83)

LAT 40.003364, LONG 109.344419 (NAD 27)

TRUE #31

OBJECTIVE: 8930' MD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA DEEP

NATURAL BUTTES FIELD

LEASE: UTU 0337

ELEVATION: 5201.4' NAT GL, 5196.6' PREP GL (DUE TO ROUNDING PREP GL WILL BE 5197') 5213' KB (16')

EOG WI 55.6856%, NRI 47.67131%

10-06-2008	<b>Reported By</b>	TERRY CSERE
------------	--------------------	-------------

<b>DailyCosts: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	LOCATION STARTED.		

---

**10-07-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	LOCATION 25% COMPLETE.		

---

**10-08-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.		

---

**10-09-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	DRILLING ROCK.		

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**10-10-2008**      **Reported By**      BYRON TOLMAN

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	DRILLING ROCK.		

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**10-13-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b> BUILD LOCATION					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	SHOOTING TODAY.		

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**10-14-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b> BUILD LOCATION					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	PUSHING OUT PIT.		

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**10-15-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b> BUILD LOCATION					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	PUSHING OUT PIT.		

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**10-16-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b> BUILD LOCATION					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	PUSHING OUT PIT.		

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**10-17-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time:</b> BUILD LOCATION					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	PUSHING OUT PIT.		

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**10-20-2008**      **Reported By**      TERRY CSERE/JERRY BARNES



<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIG'S ROUSTABOUT SERVICE SPUD A 20" HOLE ON 10/20/08 @ 10:30 AM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 10/20/08 @ 9:30 AM.

PUSHING OUT PIT.

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<b>10-21-2008</b>	<b>Reported By</b>	TERRY CSERE			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

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<b>10-22-2008</b>	<b>Reported By</b>	TERRY CSERE			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE.

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<b>10-29-2008</b>	<b>Reported By</b>	JERRY JENKINS / KYLAN COOK			
<b>Daily Costs: Drilling</b>	\$302,903	<b>Completion</b>	\$0	<b>Daily Total</b>	\$302,903
<b>Cum Costs: Drilling</b>	\$377,903	<b>Completion</b>	\$0	<b>Well Total</b>	\$377,903
<b>MD</b>	2,346	<b>TVD</b>	2,346	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 10/21/2008. DRILLED 12-1/4" HOLE TO 2330' GL (2346' KB). ENCOUNTERED WATER @ 600'. FLUID DRILLED FROM 600' WITH NO RETURNS. RAN 53 JTS (2314.85') OF 9-5/8", 36.0#, K-55, LT&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2330' KB. RDMO CRAIG'S RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1850 PSIG. PUMPED 179 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/176 BBLS FRESH WATER. BUMPED PLUG W/585# @ 10:08 PM, 10/26/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS 13 MINUTES.

TOP JOB #2: MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 40 MINUTES.

TOP JOB #3: MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS 30 MINUTES.

TOP JOB #4: MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3HRS 15 MINUTES.

TOP JOB #5: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 50 MINUTES.

TOP JOB #6: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIG'S RIG #2 TOOK SURVEYS WHILE DRILLING HOLE @ 1010' = 2 DEGREES & 2330' = 3.5 DEGREES.

CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 90.0 VDS= 90.0 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 89.8 OPS= 89.9 VDS= 89.9 MS= 90.0.

JERRY JENKINS EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 10-23-08 @ 9:20 AM.

11-14-2008		Reported By		ROBERT DYSART							
Daily Costs: Drilling		\$66,376		Completion		\$0		Daily Total		\$66,376	
Cum Costs: Drilling		\$444,279		Completion		\$0		Well Total		\$444,279	
MD	2,474	TVD	2,474	Progress	138	Days	1	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: DRILLING @ 2474'											

Start	End	Hrs	Activity Description
06:00	19:00	13.0	HOLD PRE-JOB SAFETY MTG. WITH RIG CREW & MOVERS. CONT. RIG MOVE FROM CWU 1072-28 TO CWU 1374-28 (1 MILE) RURT
			RELEASE CRANE & TRUCKS @ 11:00 HRS, RAISE MAST @ 13:00 HRS
19:00	22:30	3.5	START DAYWORK @ 19:00 HRS, 11/13/08.

TEST BOPE AS PER PROGRAM. NOTIFIED BLM VERNAL OFFICE VIA EMAIL FORM ON 11/11/08 @ 1300 HRS FOR BOP TEST.

INSIDE BOP, SAFETY VALVE, UPPER/LOWER KELLY COCK 250/5000 PSI 5/10 MIN.

HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN.

CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN.

PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN.

ANNULAR, 250/2500 PSI 5/10 MIN.

TEST 9 5/8" CASING TO 1500 PSI 30 MIN

INSTALL WEAR BUSHING

22:30 02:00 3.5 RIG UP LAYDOWN MACHINE, PICK UP BHA & D.P. TRIP IN HOLE TO 2275' (TOP OF CEMENT)  
 02:00 03:00 1.0 SLIP & CUT DRILL LINE  
 03:00 04:00 1.0 PRE-SPUD WALK THROUGH  
 04:00 04:30 0.5 DRILL CEMENT/FLOAT EQUIP. 2275' TO 2330' DRILL RAT HOLE TO 2345'  
 04:30 05:00 0.5 CONDUCT FIT @ 2330' WITH 8.4 PPG FLUID. 275 PSI, 10.6 EMW  
 05:00 06:00 1.0 SPUD @ 05:00 HRS ON 11/14/08.

DRILL ROTATE 2345' TO 2474' (129')

WOB 10/15K, RPM 55 + 66, GPM 416, PSI 1250/1300

M/W 8.4, VIS 28

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS

SAFETY MTGS: RIG MOVE, RIG UP, P/U BHA. CHECK COM

FUEL 9000, RECEIVED 8000

UNMANNED LOGGER DAY 1

06:00 SPUD A 7 7/8" HOLE WITH ROTARY TOOL @ 05:00 HRS, 11/14/08.

**11-15-2008**      **Reported By**      ROBERT DYSART

<b>Daily Costs: Drilling</b>	\$35,095	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,095
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<b>Cum Costs: Drilling</b>	\$479,432	<b>Completion</b>	\$0	<b>Well Total</b>	\$479,432
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<b>MD</b>	5,048	<b>TVD</b>	5,048	<b>Progress</b>	2,574	<b>Days</b>	2	<b>MW</b>	8.7	<b>Visc</b>	28.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING @ 5048'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	SURVEY @ 2400' 4 DEG.
06:30	11:00	4.5	DRILL ROTATE 2474' TO 2819' (345') ROP 76 WOB 18/20K, RPM 55/65+65, GPM 420, PSI 1000/1300
11:00	11:30	0.5	SERVICE RIG
11:30	13:30	2.0	DRILL ROTATE 2819' TO 3069' (250') ROP 125 WOB 20/22K, RPM 55/65+65, GPM 420, PSI 1000/1300
13:30	14:00	0.5	SURVEY @ 3000' 2 DEG.
14:00	21:30	7.5	DRILL ROTATE 3069' TO 4041' (945') ROP 126 WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1000/1300
21:30	22:00	0.5	SURVEY @ 4000' 3.75 DEG.
22:00	06:00	8.0	DRILL ROTATE 4041' TO 5048' (1007') ROP 125 WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1000/1300 M/W 9.1, VIS 30.

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS

SAFETY MTGS: DRILLING &amp; CONNECTIONS, BOP DRILLS. CHECK COM

FUEL 7778, USED 1222, BOILER 12 HRS

UNMANNED LOGGER DAY 2.

11-16-2008 Reported By ROBERT DYSART

<b>Daily Costs: Drilling</b>	\$32,036	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,036
<b>Cum Costs: Drilling</b>	\$510,338	<b>Completion</b>	\$0	<b>Well Total</b>	\$510,338
<b>MD</b>	6,591	<b>TVD</b>	6,591	<b>Progress</b>	1,543
<b>Days</b>	3	<b>MW</b>	9.4	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING @ 6591'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL ROTATE 5048' TO 5681' (633') ROP 79 WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1000/1300
14:00	14:30	0.5	SERVICE RIG
14:30	06:00	15.5	DRILL ROTATE 5681' TO 6591' (910') ROP 58 WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1000/1300 M/W 9.7, VIS 33

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS  
SAFETY MTGS: CREW CHANGE X 2. CHECK COM  
FUEL 5587, USED 2191, BOILER 16 HRS  
UNMANNED LOGGER DAY 3

11-17-2008 Reported By ROBERT DYSART

<b>Daily Costs: Drilling</b>	\$34,624	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,624
<b>Cum Costs: Drilling</b>	\$543,111	<b>Completion</b>	\$0	<b>Well Total</b>	\$543,111
<b>MD</b>	7,714	<b>TVD</b>	7,714	<b>Progress</b>	1,123
<b>Days</b>	4	<b>MW</b>	10.1	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING @ 7714'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL ROTATE 6591' TO 6939' (348') ROP 43.5 WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1300/1500
14:00	14:30	0.5	SERVICE RIG
14:30	06:00	15.5	DRILL ROTATE 6939' TO 7714' (775') ROP 50 WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1600/1900 M/W 10.5, VIS 35.

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS  
SAFETY MTGS: RIG TONGS X 2. CHECK COM  
FUEL 3400, USED 2187, BOILER 24 HRS  
UNMANNED LOGGER DAY 4.

11-18-2008 Reported By ROBERT DYSART

<b>Daily Costs: Drilling</b>	\$59,653	<b>Completion</b>	\$950	<b>Daily Total</b>	\$60,603
<b>Cum Costs: Drilling</b>	\$598,997	<b>Completion</b>	\$950	<b>Well Total</b>	\$599,947
<b>MD</b>	8,458	<b>TVD</b>	8,458	<b>Progress</b>	744
<b>Days</b>	5	<b>MW</b>	10.5	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING @ 8458'

Start	End	Hrs	Activity Description
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06:00 14:00 8.0 DRILL ROTATE 7714' TO 8060' (346') ROP 43  
WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1600/1900

14:00 14:30 0.5 SERVICE RIG

14:30 16:00 1.5 DRILL ROTATE 8060' TO 8124' (64') ROP 42  
WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1600/1900

16:00 16:30 0.5 CIRCULATE & CONDITION, FLOW CHECK

16:30 19:30 3.0 TRIP OUT OF HOLE FROM 8124' FOR BIT #2, LAY DOWN REAMERS.

19:30 21:30 2.0 TRIP IN HOLE TO 8079'

21:30 22:00 0.5 WASH/REAM 8079' TO 8124'

22:00 06:00 8.0 DRILL ROTATE 8124' TO 8458' (334') ROP 41  
WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1600/1900  
M/W 11.2, VIS 36.

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS  
SAFETY MTGS: TRIPPING X 2. CHECK COM  
FUEL 4600, USED 1800, RECEIVED 3000, BOILER 24 HRS  
UNMANNED LOGGER DAY 5.

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**11-19-2008**      **Reported By**      DYSART/ GRINOLDS

<b>DailyCosts: Drilling</b>	\$33,880	<b>Completion</b>	\$7,959	<b>Daily Total</b>	\$41,839
<b>Cum Costs: Drilling</b>	\$632,877	<b>Completion</b>	\$8,909	<b>Well Total</b>	\$641,786

**MD**      8,930      **TVD**      8,930      **Progress**      472      **Days**      6      **MW**      11.2      **Visc**      35.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** TIH W/PRODUCITON CSG

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL ROTATE 8458' TO 8499' (41') WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1600/1900
07:00	07:30	0.5	SERVICE RIG
07:30	16:00	8.5	DRILL ROTATE 8499' TO 8930' (431') ROP 50 WOB 18/20K, RPM 55/65+69, GPM 434, PSI 1600/1900 11.4 PPG, 35 VIS. TD REACHED @ 16:00 HRS, 11/18/08.
16:00	17:00	1.0	WIPER TRIP/SHORT TRIP TO 8000'
17:00	21:30	4.5	CIRCULATE & CONDITION MUD, 11.6 PPG. 37 VIS. IN/OUT, 15/20' FLARE, 150 BBL LOSSES, MIX & PUMP 300 BBL 13.2 PPG PILL
21:30	02:00	4.5	HOLD PRE-JOB SAFETY MTG. LAY DOWN D.P. FOR PROD. CASING.
02:00	03:00	1.0	HOLD PRE-JOB SAFETY MTG. RIG UP CASING CREW
03:00	06:00	3.0	MAKE UP SHOE TRACK RUN IN HOLE WITH 4 1/2" PROD. CASING

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS.  
SAFETY MTGS: LDDP, RUNNING CASING. CHECK COM.  
FUEL 4600, USED 1800, BOILER 24 HRS.  
UNMANNED LOGGER DAY 6.

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**11-20-2008**      **Reported By**      ROBERT DYSART

<b>DailyCosts: Drilling</b>	\$65,277	<b>Completion</b>	\$197,883	<b>Daily Total</b>	\$263,160
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$206,792	<b>Well Total</b>	\$904,947

MD 8,930 TVD 8,930 Progress 0 Days 7 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:30	2.5	RUN A TOTAL OF 206 JT'S (204 FULL JT'S + 2 MARKER JT'S) OF 4 1/2" 11.6 PPF N-80 LTC CASING AS FOLLOWS FLOAT SHOE LANDED @ 8920', #1 JT CASING, FLOAT COLLAR @ 8873' #62 JT'S CASING, MARKER JT 6152' - 6173', #40 JT'S CASING, MARKER JT 4389' - 4410', #101 JTS CSG. INSTALL CENTRALIZER ON MIDDLE OF SHOE JT. TOP OF SHOE JT. THAN EVERY 3RD. JT. TO 7100' FOR A TOTAL OF #15 CENTRALIZERS. THREAD LOCK SHOE, 1ST JT, FLOAT COLLAR & 2ND JT. STRING WT. 95K.  TAG BOTTOM @ 8930' MAKE UP FLUTED MANDRAL HANGER & LANDING JT. LAND SAME. FMC ON SITE TO SUPERVISE.
08:30	10:30	2.0	CIRCULATE & CONDITION MUD FOR CEMENTING
10:30	12:30	2.0	RU SCHLUMBERGER. HOLD PRE-JOB SAFETY MTG. TEST LINES TO 5000 PSI. PUMP 20 BBLS CHEMICAL WASH AND 20 BBLS WATER SPACER. MIXED AND PUMPED 650 SKS 35:65 POZ G + ADDITIVES (YIELD 2.26) AT 12 PPG WITH 12.9 GPS H2O. MIXED AND PUMPED TAIL 1470 SKS 50:50 POZ G + ADDITIVES (YIELD 1.29) AT 14.1 PPG WITH 5.98 GPS H2O. DISPLACED TO FLOAT COLLAR WITH 138 BBL H2O WITH 2 GAL/1000 LO64 FRESH WATER. AVG MIX AND DISPLACEMENT RATE 6.6 BPM. LOST RETURNS 136 BBL INTO DISP. FINAL PUMP PRESSURE 2200 PSI AT 2.3 BPM. BUMPED PLUG TO 3200 PSI. BLEED OFF PRESSURE, FLOATS HELD. RIG DOWN CEMENTERS.
12:30	13:00	0.5	SET PACK OFF BUSHING, TEST SEALS TO 5000 PSI OK.
13:00	14:00	1.0	NIPPLE DOWN BOPE, CLEAN MUD TANKS.  RELEASE RIG FROM CWU 1374-29 @ 1400 HRS ON 11/19/08.
14:00	18:00	4.0	RIG DOWN BEGIN MOVE TO CWU 1373-29 (1.5 MILE MOVE) LOWER MAST @ 1700 HRS  RIG DOWN 75%  RIG MOVE 40%
18:00	06:00	12.0	RIG DOWN FOR CONTINUATION OF MOVE.   NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS SAFETY MTGS: RUNNING CASING & CEMENTING. CHECK COM FUEL 2150, TRANSFER TO CWU 1373-29.
06:00			RELEASE RIG @ 14:00 HRS, 11/19/08. CASING POINT COST \$659,163

11-26-2008		Reported By	MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$45,354	Daily Total \$45,354
Cum Costs: Drilling	\$698,155	Completion	\$252,146	Well Total \$950,301

MD 8,930 TVD 8,930 Progress 0 Days 8 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: NO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	11/21/2008: RU SCHLUMBERGER. RAN RST/CBL/VDL/GR/CCL FROM PBTD TO 60'. EST CEMENT TOP @ 200'. RD SCHLUMBERGER.

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. NO COMPLETION.

12-04-2008		Reported By	WHITEHEAD	
Daily Costs: Drilling	\$0	Completion	\$19,718	Daily Total \$19,718

<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$271,864	<b>Well Total</b>	\$970,019
<b>MD</b>	8,930	<b>TVD</b>	8,930	<b>Progress</b>	0
<b>MD</b>	8,930	<b>TVD</b>	8,930	<b>Days</b>	9
<b>Formation : MESAVERDE</b>	<b>PBTD : 8873.0</b>	<b>Perf : 7050'-8668'</b>	<b>MW</b>	0.0	<b>Visc</b>
<b>Formation : MESAVERDE</b>	<b>PBTD : 8873.0</b>	<b>Perf : 7050'-8668'</b>	<b>PKR Depth : 0.0</b>		

**Activity at Report Time: FRAC MESAVERDE**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8410'-11', 8442'-43', 8474'-75', 8489'-90', 8506'-07', 8521'-22', 8580'-81', 8589'-90', 8619'-20', 8645'-46', 8652'-53', 8667'-68' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4166 GAL WF116 LINEAR PREPAD, 2098 GAL YF116ST+ PAD, 45023 GAL YF116ST+ W/ 153400 # 20/40 SAND @ .5-5 PPG. MTP 6386 PSIG. MTR 53.2 BPM. ATP 5010 PSIG. ATR 48.6 BPM. ISIP 2820 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8350'. PERFORATE L/MPR FROM 8119'-20', 8120'-21', 8137'-38', 8150'-51', 8169'-70', 8179'-80', 8189'-90', 8251'-52', 8270'-71', 8289'-90', 8312'-13' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4148 GAL YF120ST+ PAD, 22582 GAL YF116ST+ W/ 62200 # 20/40 SAND @ .5-4 PPG. MTP 6507 PSIG. MTR 52.6 BPM. ATP 5424 PSIG. ATR 42.7 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8020'. PERFORATE MPR FROM 7790'-91', 7797'-98', 7839'-40', 7865'-66', 7870'-71', 7884'-85', 7893'-94', 7916'-17', 7956'-57', 7964'-65', 7994'-95', 8009'-10' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4186 GAL YF120 ST+ PAD, 45324 GAL YF116ST+ W/ 154700 # 20/40 SAND @ .5-5 PPG. MTP 6286 PSIG. MTR 51.9 BPM. ATP 4932 PSIG. ATR 48.4 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7710'. PERFORATE MPR FROM 7415'-16', 7416'-17', 7431'-32', 7432'-33', 7451'-52', 7559'-60', 7602'-03', 7618'-19', 7631'-32', 7632'-33', 7671'-72', 7687'-88' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4176 GAL YF116ST+ PAD, 31136 GAL YF116ST+ W/ 97000 # 20/40 SAND @ .5-5 PPG. MTP 6359 PSIG. MTR 51.8 BPM. ATP 5111 PSIG. ATR 46 BPM. ISIP 3130 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7300'. PERFORATE MPR FROM 7050'-51', 7123'-24', 7155'-56', 7160'-61', 7171'-72', 7194'-95', 7206'-07', 7207'-08', 7230'-31', 7231'-32', 7276'-77', 7277'-78' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 3310 GAL YF116ST+ PAD, 31065 GAL YF116ST+ W/ 97100 # 20/40 SAND @ .5-5 PPG. MTP 6190 PSIG. MTR 51.9 BPM. ATP 4280 PSIG. ATR 48.2 BPM. ISIP 2420 PSIG. RD SCHLUMBERGER. SDFN.

<b>12-05-2008</b>	<b>Reported By</b>	WHITEHEAD
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>
<b>MD</b>	8,930	<b>TVD</b>
<b>MD</b>	8,930	<b>TVD</b>
<b>Formation : MESAVERDE</b>	<b>PBTD : 8873.0</b>	<b>Perf : 6559'-8668'</b>
<b>Formation : MESAVERDE</b>	<b>PBTD : 8873.0</b>	<b>Perf : 6559'-8668'</b>

**Activity at Report Time: PREP TO MIRUSU**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 6K CFP AT 6975'. PERFORATE UPR FROM 6832'-33', 6857'-58', 6868'-69', 6869'-70', 6875'-76', 6896'-97', 6903'-04', 6919'-20', 6945'-46', 6946'-47', 6957'-58', 6958'-59' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4133 GAL YF116ST+ PAD, 33774 GAL YF116ST+ W/108800# 20/40 SAND @ .5-5 PPG. MTP 4664 PSIG. MTR 52.6BPM. ATP 3758 PSIG. ATR 47.2 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6800'. PERFORATE UPR FROM 6559'-60', 6569'-70', 6597'-98', 6641'-42', 6658'-59', 6694'-95', 6703'-04', 6717'-18', 6746'-47', 6755'-56', 6771'-72', 6778'-79' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2889 GAL YF116ST+ PAD 40865 GAL YF116ST+ W/136700# 20/40 SAND @ .5-5 PPG. MTP 5012 PSIG. MTR 52.1 BPM. ATP 3339 PSIG. ATR 48.3 BPM. ISIP 2060 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 6494'. RDWL.

12-06-2008		Reported By		HOOLEY							
DailyCosts: Drilling		\$0		Completion		\$24,392		Daily Total		\$24,392	
Cum Costs: Drilling		\$698,155		Completion		\$543,904		Well Total		\$1,242,059	
MD	8,930	TVD	8,930	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 8873.0			Perf : 6559'-8668'			PKR Depth : 0.0		
Activity at Report Time: CLEAN OUT AFTER FRACS											

Start	End	Hrs	Activity Description
06:00	15:00	9.0	MIRU ROYAL SERVICE UNIT. ND FRAC TREE. NU BOPE. RIH W/ BIT AND SUB TO CBP @ 6494'. PREP TO DRILL AND CLEAN OUT. SDFN.

12-09-2008		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$68,068		Daily Total		\$68,068	
Cum Costs: Drilling		\$698,155		Completion		\$611,972		Well Total		\$1,310,127	
MD	8,930	TVD	8,930	Progress	0	Days	12	MW	0.0	Vlsc	0.0
Formation : MESAVERDE			PBTD : 8873.0			Perf : 6559'-8668'			PKR Depth : 0.0		
Activity at Report Time: RDMOSU, FLOW TEST											

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6494', 6800', 6975', 7300', 7710', 8020', 8350' RIH. CLEANED OUT TO PBTD @ 8873' LANDED TBG AT 7302.93' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 15 HRS. 24/64" CHOKE. FTP 1300 PSIG, CP 1750 PSIG. 59 BFPH. RECOVERED 884 BBLs, 6569 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8 4.7# N-80 TBG 32.65'  
 XN NIPPLE 1.10'  
 225 JTS 2-3/8 4.7# N-80 TBG 7252.18'  
 BELOW KB 16.00'  
 LANDED @ 7302.93' KB

12-10-2008		Reported By									
Daily Costs: Drilling		\$0		Completion		\$3,390		Daily Total		\$3,390	
Cum Costs: Drilling		\$698,155		Completion		\$615,362		Well Total		\$1,313,517	
MD	8,930	TVD	8,930	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 8873.0			Perf : 6559'-8668'			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST TO SALES											

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 23 HRS. 22/64" CHOKE. FTP 1180 PSIG. CP 2150 PSIG. 36 BFPH. RECOVERED 797 BLW. 5772 BLWTR. SD 1 HR TO RU BRECO UNIT.

<b>12-11-2008</b>	<b>Reported By</b>		HAL IVIE						
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<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,490	<b>Daily Total</b>	\$2,490
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$617,852	<b>Well Total</b>	\$1,316,007
<b>MD</b>	8,930	<b>TVD</b>	8,930	<b>Progress</b>	0
				<b>Days</b>	14
<b>Formation : MESAVERDE</b>		<b>PBTD : 8873.0</b>		<b>Perf : 6559'-8668'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS THROUGH TEST UNIT TO FLARE. 22/64" CHOKE. FTP 1070 PSIG. CP 1890 PSIG. 27 BFPH. RECOVERED 641 BLW. 5131 BLWTR.

12-12-2008 Reported By HAL IVIE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,490	<b>Daily Total</b>	\$2,490
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$620,342	<b>Well Total</b>	\$1,318,497
<b>MD</b>	8,930	<b>TVD</b>	8,930	<b>Progress</b>	0
				<b>Days</b>	15
<b>Formation : MESAVERDE</b>		<b>PBTD : 8873.0</b>		<b>Perf : 6559'-8668'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS THROUGH TEST UNIT TO FLARE. 24/64" CHOKE. FTP 840 PSIG. CP 1655 PSIG. 28 BFPH. RECOVERED 673 BLW. 4458 BLWTR.

12-13-2008 Reported By HAL IVIE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,490	<b>Daily Total</b>	\$2,490
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$622,832	<b>Well Total</b>	\$1,320,987
<b>MD</b>	8,930	<b>TVD</b>	8,930	<b>Progress</b>	0
				<b>Days</b>	16
<b>Formation : MESAVERDE</b>		<b>PBTD : 8873.0</b>		<b>Perf : 6559'-8668'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: FLOW TEST THRU BRECO UNIT

Start	End	Hrs	Activity Description
06:00	16:00	10.0	FLOWED 24 HRS THRU TEST UNIT. 24/64 CHOKE. FTP- 750 PSIG, CP- 1520 PSIG. 24 BFPH. RECOVERED 592 BBLS, 3866 BLWTR. FLARED MCF/D

12-14-2008 Reported By HAL IVIE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,490	<b>Daily Total</b>	\$2,490
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$625,322	<b>Well Total</b>	\$1,323,477
<b>MD</b>	8,930	<b>TVD</b>	8,930	<b>Progress</b>	0
				<b>Days</b>	17
<b>Formation : MESAVERDE</b>		<b>PBTD : 8873.0</b>		<b>Perf : 6559'-8668'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: FLOW TEST THRU BRECO UNIT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS THRU TEST UNIT. 24/64 CHOKE. FTP-700 PSIG, CP-1380 PSIG. 21 BFPH. RECOVERED 500 BBLS, 3366 BLWTR. FLARED MCF/D

12-15-2008 Reported By HAL IVIE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,490	<b>Daily Total</b>	\$2,490
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$627,812	<b>Well Total</b>	\$1,325,967
<b>MD</b>	8,930	<b>TVD</b>	8,930	<b>Progress</b>	0
				<b>Days</b>	18
<b>Formation : MESAVERDE</b>		<b>PBTD : 8873.0</b>		<b>Perf : 6559'-8668'</b>	
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 FLOWED 24 HRS THRU TEST UNIT. 24/64" CHOKE. FTP 650 PSIG. CP 1250 PSIG. 19 BFPH. RECOVERED 452 BLW. 2914 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 12/14/08.

**12-16-2008**      **Reported By**      RITA THOMAS

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$156,385	<b>Daily Total</b>	\$156,385
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$784,197	<b>Well Total</b>	\$1,482,352

**MD**      8,930    **TVD**      8,930    **Progress**      0    **Days**      19    **MW**      0.0    **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 8873.0**      **Perf : 6559'-8668'**      **PKR Depth : 0.0**

**Activity at Report Time: FACILITY COST**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FACILITY COST \$156,385

**01-19-2009**      **Reported By**      DUANE COOK

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$784,197	<b>Well Total</b>	\$1,482,352

**MD**      8,930    **TVD**      8,930    **Progress**      0    **Days**      20    **MW**      0.0    **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 8873.0**      **Perf : 6559'-8668'**      **PKR Depth : 0.0**

**Activity at Report Time: INITIAL PRODUCTION**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 900 PSIG & CP 2050 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 09:30 HRS, 1/17/09. FLOWED 214 MCFD RATE ON 14/64" CHOKE. STATIC 330. QGM METER #8073.

01/18/09 FLOWED 150 MCF, 5 BC & 60 BW IN 24 HRS ON 14/64" CHOKE, TP 900 PSIG, CP 2050 PSIG.

01/19/09 FLOWED 551 MCF, 25 BC & 80 BW IN 24 HRS ON 14/64" CHOKE, TP 1150 PSIG, CP 1900 PSIG.

**01-20-2009**      **Reported By**      MIKE LEBARON

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$784,197	<b>Well Total</b>	\$1,482,352

**MD**      8,930    **TVD**      8,930    **Progress**      0    **Days**      21    **MW**      0.0    **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 8873.0**      **Perf : 6559'-8668'**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 525 MCF, 0 BC & 170 BW IN 24 HRS ON 11/64" CHOKE, TP 1075 PSIG, CP 1820 PSIG.

**01-21-2009**      **Reported By**      MIKE LEBARON

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$698,155	<b>Completion</b>	\$784,197	<b>Well Total</b>	\$1,482,352

**MD**      8,930    **TVD**      8,930    **Progress**      0    **Days**      22    **MW**      0.0    **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 8873.0**      **Perf : 6559'-8668'**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 466 MCF, 0 BC & 310 BW IN 24 HRS ON 14/64" CHOKE, TP 1025 PSIG, CP 1755 PSIG.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU0337

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			7. Unit or CA Agreement Name and No. CHAPITA WELLS		
2. Name of Operator EOG RESOURCES, INC.			Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202			3a. Phone No. (include area code) Ph: 303-824-5526		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SESE 1305FSL 1069FEL 40.00333 N Lat, 109.34510 W Lon At top prod interval reported below SESE 1305FSL 1069FEL 40.00333 N Lat, 109.34510 W Lon At total depth SESE 1305FSL 1069FEL 40.00333 N Lat, 109.34510 W Lon			9. API Well No. 43-047-39884		
10. Field and Pool, or Exploratory NATURAL BUTTES			11. Sec., T., R., M., or Block and Survey or Area Sec 29 T9S R23E Mer SLB		
12. County or Parish UINTAH			13. State UT		
14. Date Spudded 10/20/2008			15. Date T.D. Reached 11/18/2008		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 01/17/2009			17. Elevations (DF, KB, RT, GL)* 5201 GL		
18. Total Depth: MD TVD 8930			19. Plug Back T.D.: MD TVD 8873		
20. Depth Bridge Plug Set: MD TVD			21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR		
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)			Temp		

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 K-55	36.0	0	2330		1100		0	
7.875	4.500 N-80	11.6	0	8920		2120		200	

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7303							

## 25. Producing Intervals

## 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6559	8668	8410 TO 8668		3	
B)			8119 TO 8313		3	
C)			7790 TO 8010		3	
D)			7415 TO 7688		3	

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8410 TO 8668	51,452 GALS GELLED WATER & 153,400# 20/40 SAND
8119 TO 8313	26,895 GALS GELLED WATER & 62,200# 20/40 SAND
7790 TO 8010	49,675 GALS GELLED WATER & 154,700# 20/40 SAND
7415 TO 7688	35,477 GALS GELLED WATER & 97,000# 20/40 SAND

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/17/2009	01/24/2009	24	→	71.0	419.0	69.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	SI	1650.0	→	71	419	69		PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #67438 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

## 29. Disposition of Gas(Sold, used for fuel, vented, etc.)

SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	6559	8668		GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1527 1678 2185 4339 4450 5012 5684 6545

## 32. Additional remarks (include plugging procedure):

Please see the attached page for detailed perforation and additional formation marker information.

## 33. Circle enclosed attachments:

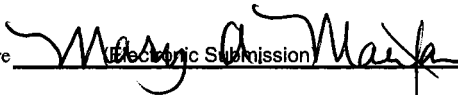
- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7. Other:     |                       |

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #67438 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTASTitle REGULATORY ASSISTANT

Signature


Date 02/20/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

**Chapita Wells Unit 1374-29 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7050-7278	3/spf
6832-6959	3/spf
6559-6779	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7050-7278	34,540 GALS GELLED WATER & 97,100# 20/40 SAND
6832-6959	38,072 GALS GELLED WATER & 108,800# 20/40 SAND
6559-6779	43,919 GALS GELLED WATER & 136,700# 20/40 SAND

Perforated the Lower Price River from 8410-11', 8442-43', 8474-75', 8489-90', 8506-07', 8521-22', 8580-81', 8589-90', 8619-20', 8645-46', 8652-53', 8667-68' w/ 3 spf.

Perforated the Lower/Middle Price River from 8119-20', 8120-21', 8137-38', 8150-51', 8169-70', 8179-80', 8189-90', 8251-52', 8270-71', 8289-90', 8312-13' w/ 3 spf.

Perforated the Middle Price River from 7790-91', 7797-98', 7839-40', 7865-66', 7870-71', 7884-85', 7893-94', 7916-17', 7956-57', 7964-65', 7994-95', 8009-10' w/ 3 spf.

Perforated the Middle Price River from 7415-16', 7416-17', 7431-32', 7432-33', 7451-52', 7559-60', 7602-03', 7618-19', 7631-32', 7632-33', 7671-72', 7687-88' w/ 3 spf.

Perforated the Middle Price River from 7050-51', 7123-24', 7155-56', 7160-61', 7171-72', 7194-95', 7206-07', 7207-08', 7230-31', 7231-32', 7276-77', 7277-78' w/ 3 spf.

Perforated the Upper Price River from 6832-33', 6857-58', 6868-69', 6869-70', 6875-76', 6896-97', 6903-04', 6919-20', 6945-46', 6946-47', 6957-58', 6958-59' w/ 3 spf.

Perforated the Upper Price River from 6559-60', 6569-70', 6597-98', 6641-42', 6658-59', 6694-95', 6703-04', 6717-18', 6746-47', 6755-56', 6771-72', 6778-79' w/ 3 spf.

**32. FORMATION (LOG) MARKERS**

Middle Price River	7423
Lower Price River	8194
Sego	8736

## FORM 7

Well name and number: CWU 1374-29

API number: 4304739884

Well Location: QQ SESE Section 29 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

[illegible]

Formation tops:  
(Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

**I hereby certify that this report is true and complete to the best of my knowledge.**

NAME (PLEASE PRINT) **Mary A. Maestas**

TITLE **Regulatory Assistant**

SIGNATURE Y. Wally A. Wally

DATE 2/25/2009



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

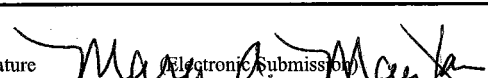
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0337
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	8. Well Name and No. CHAPITA WELLS UNIT 1374-29
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T9S R23E SESE 1305FSL 1060FEL 40.00333 N Lat, 109.34510 W Lon		9. API Well No. 43-047-39884
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The reserve pit on the referenced location was closed on 4/14/2009 as per the APD procedure.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #69248 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature 	Date 04/23/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED**

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**APR 27 2009**

**DIV. OF OIL, GAS & MINING**